

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

IN RE: §
§
CIRCUIT CITY STORES, INC., et al § **CASE NO. 08-35653-KRH**
§ **Jointly Administered**
§
DEBTORS. § **CHAPTER 11**

**OBJECTION BY PANATTONI NORTHGLENN
TO PROPOSED CURE AMOUNT**

Panattoni Development Company, Inc., as Agent for Charles L. Kessinger, Jacque L. Kessinger and Northglenn Retail, LLC ("Panattoni Northglenn") (the "Lessor") objects to the "cure amount" for the Northglenn Lease (defined below) listed on Exhibit B to the Debtors' Motion for Orders under 11 U.S.C. §§ 105, 363, and 365 (I) Approving Bidding and Auction Procedures for Sale of Unexpired Nonresidential Real Property Leases for Closing Stores, (II) Setting Sale Hearing Date, and (III) Authorizing and Approving (A) Sale of Certain Nonresidential Real Property Leases Free and Clear of Liens, Claims, and Encumbrances, (B) Assumption and Assignment of Certain Unexpired Nonresidential Real Property Leases, and (C) Lease Rejection Procedures (the "Motion").

1. Panattoni Northglenn, as landlord, and Circuit City Stores West Coast, Inc. (one of the Debtors herein), as tenant, are parties to a lease agreement (the "Northglenn Lease") under which Panattoni Northglenn leased certain property located at I-25 and 104th Avenue, Northglenn, Colorado to Circuit City West.

2. The Debtors' proposed cure amount listed in the Motion is incorrect. As of the filing of this objection, the Debtors owed Panattoni Northglenn the following obligations under the Northglenn Lease (plus attorneys' fees and expenses):

| | |
|-----------|--------------------|
| CAM | \$ 3,186.75 |
| Insurance | \$ 2,677.50 |
| Taxes | <u>\$10,710.00</u> |
| Total Due | \$16,574.25 |

3. The correct "cure amount" is based on the best information now available to Panattoni Northglenn and its advisors and is set forth with the full reservation of right to modify such "cure amount" as any additional information becomes available to Panattoni Northglenn. The "cure amount" does not include such additional items as attorneys' fees, interest, repair and maintenance costs, indemnification obligations, or their claims against the Debtors under the Northglenn Lease, and actual pecuniary losses suffered by Panattoni Northglenn that result from the Debtors' defaults under the Northglenn Lease.

4. Panattoni Northglenn reserves the right to increase the cure amount to include those and other items at such time as they may be computed.

5. Panattoni Northglenn reserves all of its rights and remedies including, without limitation, the right to object to any proposed assumption and assignment of the Northglenn Lease.

ACCORDINGLY, Panattoni Northglenn objects to the cure amount stated in the Motion and respectfully requests that the Court correct the amount (subject to the reservations above) for the Northglenn Lease as set forth above, and grant such other relief as is appropriate both in equity and at law.

Respectfully submitted,

CANTOR ARKEMA, P.C.

By: /s/ Neil E. McCullagh

Neil E. McCullagh
Virginia Bar No. 39027
NMCullagh@cantorarkema.com
Bank of America Center
1111 East Main Street, 16th Floor
Richmond, Virginia 23219
Telephone: (804) 644-1400
Facsimile: (804) 225-8706

And

BRACEWELL & GIULIANI LLP

By: /s/ William A. (Trey) Wood, III

William A. (Trey) Wood, III
Texas Bar No. 21916050
Trey.Wood@bgllp.com
711 Louisiana, Suite 2300
Houston, Texas 77002
Telephone: (713) 223-2300
Facsimile: (713) 221-1212
**ATTORNEYS FOR PANATTONI
DEVELOPMENT COMPANY, INC., AS
AGENT FOR CHARLES L.
KESSINGER, JACQUES L.
KESSINGER AND NORTGLENN
RETAIL, LLC**

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of December, 2008, a true and correct copy of the above and foregoing instrument was served (i) via electronic means as listed on the "2002" and "Core" lists through the Court's ECF system; and (ii) by electronic means or regular U. S. First Class Mail on the parties on the attached Service List.

/s/ William A. (Trey) Wood, III
William A. (Trey) Wood,